

FLEEING OF HELLER DONE BY FAKEDRAFT

Details of \$75,000 Swindle
in Florida Told by Newark
Man's Lawyer.

HIGH FLYING AT START

'Judge' Black Invited Man
to Country Club, Where
He 'Won' \$136,000.

WINNER DIDN'T GET CASH

William Werner of Brooklyn,
Who Fleed From Bunco Gang,
Still in Hiding.

Additional details were learned yesterday of how Maurice Heller, treasurer of the Consolidated Finance Corporation of Newark, was fleeced out of \$75,000 by wire tappers and confidence men in a "country club" near St. Augustine, Fla.

The details were given out by Joseph Kramer of the law firm of Kramer & Siegler, counsel for Heller. Mr. Kramer said that Heller, who returned to Newark Tuesday night, has gone away for a few weeks to avoid the "razzberries" which he was afraid might be cast at him by well meaning friends. Heller will remain in seclusion until he believes there will be less meriment over his having succumbed to one of the oldest of the confidence games.

Heller arrived in Daytona on January 28. On the morning of his arrival he was in a store buying souvenir postal cards when a man beside him, also buying cards, engaged him in conversation. It developed that they were both alone in Daytona. The stranger said he was Henry Lehman, a New York steel broker. They had dinner together at Lehman's hotel and lunch the next day at Heller's.

Moved to Heller's Hotel.

That afternoon Lehman took Heller riding in a Cadillac touring car, which he said he had brought with him from New York. That night Lehman said he didn't like the food at his hotel, so he decided to move over to Heller's. In one of his bags Lehman carried an elaborate fishing equipment which attracted Heller's attention. They talked of fishing for a long time. Lehman explained what a fishing enthusiast he was. As Heller looks back at the fishing tackle episode now and thinks of the lost \$75,000 there appears to be a sort of grim symbolism about it.

Things became dull in Daytona. They decided to go to St. Augustine. The morning after their arrival they were walking down the street when Lehman called out, "Well, well, look who's there!" He pointed to a prosperous looking individual across the street. Heller asked who he was.

"Why, don't you know?" exclaimed Lehman. "That's Judge Black from New York. Come on and I'll introduce you to him."

At first "Judge" Black failed to recognize Lehman. The "Judge" insisted that Lehman and Heller were newspaper reporters, but finally Lehman refreshed his memory and all were friendly. The "Judge" said he had "come down to place a few little bets."

Invited to "Country Club."

He invited them over to the "country club" on the St. Johns River. There they stayed two days, and at the end of that time Heller's winnings were \$136,000. The "Judge" approved all checks. Lehman finally said he thought they ought to get their cash. The "house man" said it was customary for customers to show that they could have covered their losses if the breaks had gone against them.

Lehman accompanied Heller back to New York and drew a large roll from a bank in Elitch avenue. He then accompanied Heller to Newark, where Heller, on the pretext that he "had found something good in Florida," drew \$75,000.

Back at the "country club" in Florida Heller handed up the money and received a draft to be cashed in Indianapolis, but when he reached that city there were no wires waiting, and Lehman had disappeared.

William Werner, builder and contractor of 110 Hale avenue, Brooklyn, whose tips to the police resulted in the arrest of five alleged confidence men in Newark, where Heller, on the pretext that he "had found something good in Florida," drew \$75,000.

When Mr. Werner left Jacksonville he said he was afraid of his life and that he did not know whether he would return to Brooklyn at once or go South for a time. Mrs. Werner, who was surprised and amused when told of her husband's dealings with confidence men, said she had not heard a word from him since the trouble began.

FLU VIRULENT IN CONNECTICUT

HARTFORD, Conn., Feb. 18.—A survey of Connecticut by the State Department of Health showed 1,043 cases of influenza since January 1. The serious aspect is the increasing number of fatal pneumonia cases developing from it. From 30 to 45 per cent. of this type of pneumonia has proved fatal. The same survey showed 142 cases of smallpox in nine towns.

PUBLIC BAMBOOZLED OUT OF MILLIONS EVERY YEAR

Continued from First Page.

is sold before drilling operations start. From \$15,000 to \$20,000 is generally sufficient to drill a hole and test land believed to contain oil. Where stock sales mount into hundreds of thousands before or while the drilling is in process there is a suspicion that the corporation is being promoted to make money for the officers rather than for the real purpose of producing oil.

One such oil concern was organized in Delaware, the Post Office records show. A score of men cooperated in promoting it, three of which traded in leases for stock. The corporation was capitalized at \$3,000,000, par value \$1 a share. A very few weeks after the stock was put on the market the directors met and declared a 12 per cent. dividend.

"This," reported the postal inspector, "was before they produced a single barrel of oil."

The company advertised that it would develop extensive properties in Kentucky and Oklahoma. The 12 per cent. dividend was paid to stockholders from cash obtained through the juggling of leases.

Rate Fixed by Broker.

A brokerage house in New York undertook to sell \$1,000,000 worth of the company's common stock. Under the contract with the corporation the broker undertook to buy the stock or underwrite it at the following rate:

Shares	Cents per Share	Days
100,000	30	60
100,000	40	90
100,000	50	120
100,000	60	150
100,000	70	180
100,000	80	210
100,000	90	240
100,000	100	270
100,000	110	300

The broker was to sell this stock at par or better, depending upon the demand. It is not difficult to compute his prospective profit should the corporation back him up. In other words, prospects of the corporation could be made to appear rosy and rozier each thirty days so that the apparent value of the stock would steadily increase.

This process, however, would have to be done in spite of the fact that it does not take 30 days to drill a well or even a series of wells. The sales, therefore, would have to be completed before the crash came—if it were to come—that is to say, before it was made apparent that the company would not be able to produce oil in sufficient quantities to continue to pay dividends on \$1,000,000 worth of stock at 12 per cent. a year.

When the demand for the stock began to lag the directors met and declared a dividend of 2 per cent. a month instead of 1 per cent. The first dividend rate was found not high enough to be really effective bait. These dividends were actually paid, at least in the first case. The money was obtained through more juggling of leases.

By this time the corporation had come into control of large tracts of land. "There was a slight possibility," wrote the postal inspector, "that the public might have profited even then, and all the insiders likewise, through a legitimate venture in oil. But it was not planned that the promoters should involve themselves in any such uncertainty and they therefore took no chances whatever. Their profits (those of the insiders, the promoters) were to come from stock juggling."

New Prospectus Put Out.

To carry out this program the selling broker advertised that the company had come into control of 51,273 acres of land. A new prospectus was put out claiming production at the rate of 600 barrels of oil a day. Later this claim was increased to 1,500 barrels a day. When the prosecution began, however, the records of the pipe line company which bought all of the corporation's oil showed that the monthly production was at the rate of 103.23 barrels, for which the corporation received just \$227.11.

The new prospectus declared that "current earnings are sufficient to cover the present 2 per cent. monthly dividend requirements three times over and are increasing." The substantial additions to output expected in the next few months will, of course, be reflected in greater earnings and subsequently larger dividend disbursements.

The selling broker unloaded more than 200,000 shares of the corporation's stock while the dividends were being paid. The quotations on the stock rose at one time to \$15 a share. Six officials of the corporation were indicted in New York as a result of the efforts of the Postal Inspection Bureau of the Post Office.

Stock of the kind issued by this oil corporation is the variety for which small investors are exchanging their Liberty bonds and Victory notes at bucket shops with the hope of increasing their dividend rates to 10 and 20 per cent. Postal inspectors warn that the mere payment of high dividends does not prove that the corporation offering stock is a reliable, producing concern.

Motor Car Swindle.

In Dallas the president of a motor car manufacturing company drew a sentence of five years in jail because his concern was able to convince 30,000 persons that \$1,000,000 should be paid for its stock.

This motor car company began operations by advertising for mechanics, clerks and other workers. The advertisement solicited a mail application accompanied by a stamp for reply. To workers applying stock was offered together with a letter explaining that positions would be more sure to those who owned shares of the corporation. This was reasonable. It was made to appear that the corporation planned to share profits with workers to get more efficient labor.

The scheme met with generous response from workers who bought stock and wanted jobs. The stock began by selling at \$1 a share. Shortly after the corporation advertised that on a certain day at midnight the price would be advanced 100 per cent. to \$2 a share. This warning was given, it was explained, so that all who desired to purchase could take advantage of the low price.

"This is an old scheme of promoters. It requires courage, because the scheme sometimes has an effect just the opposite of that planned. In other

words, it may discourage sales instead of stimulating them.

In the case of the motor company the effect was to sell more stock. The excuse given for raising the price was that more money was needed to build and operate a larger plant.

Boosted to \$4 a Share.

The plan of advertising an advance in the price of the motor company stock was resorted to several times. The price finally was boosted to \$4 a share. At this time, investigations later disclosed, the company had about one dollar's worth of equipment and assets for each five shares of stock outstanding.

In the prospectus issued by the corporation during its stock selling campaign was a section describing the engine to be built in the automobile which the company would sell. Here is the section:

"This new and wonderful little engine has the O. K. of the best engineers and mechanics in the country."

"It costs \$25 to \$40 to build, weighs 60 to 100 pounds; superheated steam or gasoline model develops 31 to 50 horsepower, 4 cylinder gas model, power unlimited."

"Can increase power without increasing fuel consumption. Most wonderful, economical engine ever invented."

This engine was the work of a local inventor who later sued the company to obtain payment. Testimony showed that at the time the company was promoted the engine never had been built into an automobile. Nevertheless, the corporation advertised that it was prepared to turn out passenger cars and tractors at prices ranging from \$200 to \$700.

When stock sales began to lag the company acquired very large tracts of land and built plants. But when the time came for production everything seemed to result in failure. The corporation soon was bankrupt.

Hole Yields \$100,000.

At Spokane, Wash., \$100,000 in stock in an oil concern was sold by a man who discovered, he said, a seep of oil in his cellar. Hundreds of persons flocked to see the hole. The proprietor of the house took them to the cellar and dipped up a fluid from the hole, samples of which he gave to some visitors. The man said he discovered the oil seepage quite by accident. He organized a company and set up an oil drilling derrick in one corner of the lot.

Spokane went oil mad. Fifteen oil companies were organized. Drilling began at every other lot, it seemed. Stock was offered on every hand. Meanwhile visitors flocked to view the little hole in the cellar bottom where an oil spring was supposed to exist.

One morning, however, a neighbor saw the proprietor of the oil spring house abroad at the early hour of five. In each hand the proprietor was carrying a great bucket. The buckets contained a fluid that looked like the fluid that could be dipped out of the spring in the cellar. The neighbor concluded that the oil spring was a fraud and that the spring was simply a hole which the owner of the house "salted" with oil.

The fluid which the owner had dipped out of the so-called oil spring was analyzed. The analysis showed a combination of crude oil and vegetable oil. No such combination ever was found in nature, and the whole affair was branded as a fraud. The stock continued to sell, however. Then came the postal inspectors and examined the selling methods, which included the use of circulars sent through the mails. The report containing the last chapter of the story has not yet reached the files of the Post Office Department at Washington.

Motion Picture Promotion.

A high official of a great nationally known oil producing company is recorded in the files of the Post Office Department in connection with the flotation of stock in a motion picture company capitalized at \$2,500,000. The records also contain the name of a very well known musical comedy star and that of a nationally known baseball player. The baseball player and the stage star were to have been the chief players in the movies put out by the corporation.

This motion picture company illustrated one of that class of stock promotion schemes in which the directors and other officials actually intended to produce and make profits legally. Through their inexperience, however, the company went bankrupt and the stockholders suffered most of the loss. The president of the company disappeared after losing some of his money and that of his father. The stage star lent the company \$7,000 and lost it. And the oil company official lost about \$10,000. The loss of the stockholders is unknown.

The company produced two films at a cost of about \$70,000, which was obtained from the sale of stock. Neither film would sell because the work was inferior.

Although the company reached a state of bankruptcy, no formal action legally putting it into that condition was taken. A trustee undertook to wind up the corporation's affairs and save what he could for the stockholders. This attempt met with scant success.

While the stock selling scheme was in progress, however, the brokerage concern which handled the stock maintained offices not only in New York, but also in Cleveland and other cities. Prospects seemed bright for the corporation, which received a large amount of newspaper publicity in the dramatic seasons.

The stage star, recently married, is still short her \$7,000.

BULL FIGHT FOE PRAISED.

S. P. C. A. Opposed Move to Introduce Pastime Here.

Frank K. Sturgis, president of the American Society for the Prevention of Cruelty to Animals, said yesterday the society has received many letters of commendation for its stand against the introduction of bull fights in New York. For three months, Mr. Sturgis said, sporting and political influence had been brought to bear on the society to permit a "comic bull fight" in this city.

The move was regarded as an opening wedge to the pastime of bull fighting in this country and the society opposed it, with the result it was abandoned, Mr. Sturgis said.

ACTOR'S WIFE KILLS SELF, BOY AND GIRL

Mrs. L. P. Adams Turns on
Gas, Sits Down With Chil-
dren to Await Death.

TACKS A NOTE ON WALL

Victim Had Broken Down Her
Health by Close Attention
to Child Who Was Ill.

Mrs. Mary R. Adams, wife of D. P. Adams, member of the cast of J. Hartley Manners' play, "The National Anthem," turned on the gas sometime to-day in every room of her home at Grantwood, N. J., and then went to bed with her two children, Dorothy, 11 years old, and Matthew, 9, and waited for death. She and the children were found dead at 7:30 o'clock last night.

The bodies were found by Capt. Frank Burrell of the Cliffside Police Department, who was called to the house by neighbors. Mrs. Adams left a note written on a scrap of cardboard, which she tacked to a wall of the living room. The note explained the deaths. It read:

"Everybody be happy. We are going to be better off. I have \$250 insurance on me. Mother."

Mrs. Adams had been ill, her husband told the police. He saw her last on Thursday. He had an apartment in the city at 447 West Forty-third street, a few feet from the Henry Miller Theatre, where he has been appearing, and it was only on week ends that he has been spending any time with his family. He collapsed last night after learning of the tragedy.

From neighbors in the apartment in Forty-third street it was learned that Adams' illness probably grew out of her efforts to care for her little daughter. The child contracted whooping cough last year, and it so weakened her lungs that tuberculosis was threatened. To have the girl in the open air as much as possible, her mother had an extra in the movies and an artist's model on occasions, put forth unusual exertion to obtain extra employment. He succeeded in earning sufficient money to lease the Grantwood home and to it sent his family.

From others it was learned that the Adams children were the idols of grandparents, who adored them and lavished money on them at every possible excuse. Mr. Adams' father, it was said, is a banker in Indiana. He and the elder Mrs. Adams frequently sent the children money and other presents and helped make Adams' difficulties as easy as possible.

On the other hand, Mrs. Adams' parents were no less generous in helping her to see to it that her grandchildren were looked after in every way. Adams failed to report at the theatre last night. It was said that he telephoned to a member of the cast asking him to come over to Grantwood. The man who spoke to him said later he believed Adams had just been apprised of the deaths. While he was only an extra in the show, he earned comfortable sums elsewhere.

FLORIDA FEUD RENEWED OVER FATAL SHOOTING

Baker County Sheriff Asks
Aid to Check Fighting.

SPECIAL DISPATCH TO THE NEW YORK HERALD. JACKSONVILLE, Fla., Feb. 18.—An old feud, which intermittently has raged throughout Baker county for 40 years broke out again to-day when Jake Wilkinson, 18, was perhaps fatally shot from ambush, and Bill Williams, 32, was kidnapped by a band of six men, following the disappearance last week of T. R. Henderson, wealthy naval stores operator and former bank director.

The attack on Wilkinson and Williams is believed by officials to have been made by relatives and sympathizers of Henderson, whose body is thought to rest at the bottom of St. Mary's River. Sheriff J. A. Rowe of Baker county, appealed to-day to Sheriff R. E. Merritt of Duval county, in which Jacksonville is situated, for men to aid in quelling the lawlessness.

Citizens of MacClenny expressed the opinion that State troops should be requested. Gov. Hardee, when reached on the wire from here late this evening said no call for aid had been received from the Baker county seat.

ALLEGED SWINDLERS FIGHT FOR FREEDOM

Writ Issued in Florida to Re-
lease Five Prisoners.

SPECIAL DISPATCH TO THE NEW YORK HERALD. JACKSONVILLE, Fla., Feb. 18.—A second attempt to gain freedom through habeas corpus proceedings was made this afternoon by the five alleged confidence men arrested at Panama Park last Saturday after attempting to swindle William Werner of Brooklyn out of \$75,000 in a fake horse race.

A writ made out before Circuit Court Judge G. G. Gibbs and returnable Monday alleges that the five men are being held illegally. The writ was partly issued after their arrest last night.

The men—George Robertson, 52, Columbus, Ohio; Charles Bates, 35, Tampa; John Marshall, 40; William Curtis, 48, of Newark, N. J.; and Tom Ocholtree, 72, are being held in jail without bond, awaiting further hearings, although bond was fixed by a justice of the peace at \$1,200 for trial in the Criminal Court Record. Federal attorneys have been sworn out against Robertson and Ocholtree.

\$76,000 GEMS UNDER PULLMAN PILLOW GONE

New Yorker Reports Theft of
Diamonds on Illinois Central.

ST. LOUIS, Feb. 18.—Sidney Krenzel of Krenzel Brothers, diamond importers of New York City, reported to the police he had been robbed of diamonds which cost him \$76,899 and which had a retail value of between \$125,000 and \$150,000 on an Illinois Central train which arrived from Chicago this morning.

The diamonds were in a wallet which he placed under his pillow in the Pullman. Mr. Krenzel told the police, and were insured for \$50,000.

At the office of Samuel Krenzel, diamonds, 68 Nassau street, members of the firm said that the loss was partly covered by insurance. All the diamonds were unset stones. It was said, and could be quickly converted into cash.

The resident partners of the firm are Samuel Krenzel and David Krenzel.

FIRE IN TENEMENT.

A cellar fire caused the temporary abandonment of the five story tenement at 224 East Forty-third street last night. The damage was small, but smoke pervaded the house, and every one was ordered out by the police. The fire was in rubbish.

PURSUIT OF 10 P. C. INTEREST COSTS INVESTORS \$250,000

C. Gorman Sayre, Whose Beautifully Engraved Bonds
Furnish Lure in Minneapolis, Leaves 8 Cents in
Stamps and \$50 Liberty Bond as Assets.

Special Dispatch to The New York Herald.

MINNEAPOLIS, Feb. 18.—Fifteen hundred men and women, dissatisfied with returns on Liberty bonds and other high grade securities were lured into the enchanting realms of speculation by C. Gorman Sayre, whose dazzling promises, backed up by a glittering array of beautifully engraved "10 per cent. bonds" and "due bills," sufficed to separate them from \$250,000.

That was the extent of his operations, according to an estimate made by Walter C. Christoph, the 19-year-old officer manager of the Minneapolis Bond Exchange, Sayre's extensively advertised "clearing house for financial transactions."

Meanwhile the prolific writer of financial letters and advertisements is headed

for "points east," says a brief message dropped into the mail car of the Pioneer Limited last Monday night and addressed to his office manager. This letter conferred upon Christoph "power of attorney," and Christoph, who is credited for \$90 in salary, faces the music alone. Amid the overwhelming pile of evidence against his employer, Christoph still sticks by him.

Creditors of the defunct "bucket shop" began action to-day in the Federal Court for the appointment of a receiver, and in the State courts four judgments were entered against both Sayre and the Minneapolis Bond Exchange.

The known assets of Sayre and his brokerage office amount to something about \$50. There were eight cents in postage stamps and a \$50 Liberty bond with its coupons detached.

repeated demands on Bloom for either the bonds or the money, but that he has received only \$3,000. He demands \$6,703.

Bloom formerly was a lawyer in Chicago and came to New York city about a year ago and joined Chayse & Co. This firm, it was said, has become bankrupt since last August.

With such cases as those in which arrests already have been made, the chance for speedy trial is good. Precedence on the calendar has been arranged for, and District Attorney Banton said he was ready to proceed this week with some of the cases. Since bail has been fixed at \$20,000 for each individual quick action is additionally assured. The men being in jail because of the high bail must be tried soon, as the rule is that jail cases shall take precedence over bail cases. It is possible that one or two of the cases will be put on the calendar to-morrow or next day.

The presentation of evidence in the bucketshop cases will continue to-morrow, probably before both the additional and the Supreme Court Grand Jurors. There is plenty of evidence in hand, it is understood, to keep both bodies busy for the greater part of the week. It is possible that the evidence in the R. H. MacMasters & Co. case, which is expected to be in Mr. Banton's hands to-morrow, will be acted on. The officials of the Consolidated Exchange suspended the firm and an involuntary petition in bankruptcy was filed immediately afterward.

Rosatti said he turned over \$10,951 to Bloom last July for the purchase of Mexican gold bonds. He alleged he made

MRS. BIDDLE UPHELD IN TRACING SCREEN

Artist Ordered to Tell Who
Got Piece of Furniture Auc-
tioned by Mistake.

Robert S. Talmage, an artist of 80 West

Fortieth street, was directed yesterday by the Appellate Term of the Supreme Court to disclose to Mrs. Anthony J. Drexel Biddle, Jr., of 1099 Fifth avenue the name of the person to whom he sold a screen taken by mistake from the home of Mrs. Biddle's mother, Mrs. Benjamin N. Duke, and sold to him for \$90 at auction.

The screen was one made especially

for Mrs. Biddle in Paris to go with a set of furniture she was installing in one of the rooms of her home. After reaching this country it was delivered at the home of Mrs. Duke, where there also were several other screens belonging to Mrs. Biddle. One of them had survived its usefulness and Mrs. Biddle sought to sell it at auction. When the auctioneer's men went to get it they took the wrong screen.

Mr. Talmage bought the screen which had been made in Paris, and after retouching it sold it for \$15 to a man for whom he was doing some decorating. When Mrs. Biddle traced the screen to Talmage from the auctioneer's records he told her he would be glad to return it if the man to whom he sold it would give it up. The man refused, and Mr. Talmage declined to tell his name.

Mrs. Biddle sued Mr. Talmage in the Municipal Court, and in the hope of finding to whom he had sold the screen obtained an order for his examination before trial. He appealed from the order, but Appellate Term held he must submit to examination. When Mrs. Biddle finds out who has her screen she will bring an action in replevin for its recovery.



While Men Live

they can guard against the consequences of their death—and the consequence of failing to provide a family burial plot is to leave to others an unforgettable ordeal—Choose the family plot NOW.

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America's Permanent Burial
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Established 1879

Presents

TWEED TOGS

the vogue of the hour
for the woman of today

TWEED CAPE-COSTUMES

29.50 to 69.50

Sleeved or sleeveless dresses with matching cape, or smart combinations of checked and plain tweeds. All the lovely new tweed colorings. Sizes 14 to 44.

TWEED SPORTS HATS

4.00 to 5.75

Round little hats of stitched tweeds that are having such an amazing popularity. In plain colors to match or contrast with one's spring coat or suit. Also felts in tweed colors—5.75

PASTELAIN (TWEED) SUITS

29.50 to 69.50

Imported and domestic tweeds with box or belted coats, excellently tailored, correct in detail. Some with silk stitching or leather trimming. Rose, lavender, tan, blues, grey. Sizes 14 to 44.

TWEED-TONE SILK BLOUSES

9.95

The Piccadilly—a tailored shirt of Piccadilly silk, in weave and tone to harmonize with tweeds. High-low collar. Copen, tan, grey, lavender. Sizes 32 to 44.

TWEED TOP-COATS

49.50

Every cut and color correct for Spring 1922. Scotch plaids, English tweeds in belted or flare style, with set-in or raglan sleeves, shawl or convertible collar. Some with leather buttons and buckles. Sizes 34 to 42.

TWE